



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
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DEPARTMENT OF HUMAN SERVICES
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September 5, 2008

GENERAL LETTER NO. 11-T-3

ISSUED BY: Bureau of Collections, Division of Child Support,
Case Management, and Refugee Services

SUBJECT: Employees' Manual, Title 11, Chapter T, **DISTRIBUTION**, Contents (pages 2 and 4), revised; pages 6, 16, 42, 50, 57, 69, 108, 111, 112, 121, 132, 134, 136, 150 through 155, 170, 171, and 174, revised.

Summary

This chapter is revised to incorporate policy changes and ICAR enhancements. The material is revised to:

- ◆ Change the fund source code definition of “unemployment insurance (UIB)” to “undisclosed income or benefits.”
- ◆ Correct the “out of State Medicaid-only” code from 18 to 19.
- ◆ Remove section, “Distribution of Unemployment Insurance Benefits.”
- ◆ Update the Certified Payment Record (PAYREC) screen.
- ◆ Clarify procedures in the section, “Interest and Late Payment Fees.”

Effective Date

Immediately.

Material Superseded

Remove the following pages from Employees' Manual, Title 11, Chapter T, and destroy them. This includes the following:

<u>Pages</u>	<u>Date</u>
Contents (page 2)	January 25, 2008
6, 16, 42, 47-50, 57, 69, 108, 111, 112, 121, 132, 134, 136, 150-155, 170, 171, and 174	January 25, 2008

Additional Information

Refer questions about this general letter to your regional collections administrator.

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OVERVIEW AND DEFINITIONS**Batch Code/Sequence Number**

Revised September 5, 2008

Iowa Department of Human Services

Title 11 Support Enforcement and Distribution**Chapter T** Distribution

Batch Code/ Sequence No.	Fund Source on PAYHIST Screen	Definition
04	ATM	Automated teller machine (state-issued ATM cards). This payment method is no longer in use.
05	UIB	Undisclosed income or benefit
06	STT	State tax offset (entered manually)
07	FED	Federal tax offset (entered manually)
08	MIW	Mandatory income withholding (includes employer electronic funds transfer payments)
09	ADJ	Transferred payment
11	REG	Usually paid by an individual payor or other state (through the payment processing software if more than seven digits)
12	REG	Administrative levy payment
13	REG	Targeted collections payment
11-19	REG	Before 1995, less than seven digits, not a payment from payment processing software
21-29	REG	Before 1995, less than seven digits, not a payment from the payment processing software
31	EFT – Auto Withdrawal	Electronic funds transfer (automatically withdrawn from a payor's bank account)
32	N/A	Future distribution
35-39	FED	Federal tax (batch process)
40-44	STT	State tax (batch process)
45	N/A	Overpayment
46	N/A	Refund complete
48	VOL	Voluntary payment (see Voluntary Payments for types of VOL entries)
49	N/A	Money transferred to ICAR from the CAR system
50-78	COC, CRP, OFT, OPY, OST, OTH, PRS, SAT, VRP	Conversion entries (see The Conversion Screen (CONVERT) Screen for types of conversion entries)

OVERVIEW AND DEFINITIONS**Fund Source**

Revised September 5, 2008

Iowa Department of Human Services

Title 11 Support Enforcement and Distribution**Chapter T** Distribution

Code	Explanation
SAT	Satisfaction of judgment: Enter payments for fund source SAT through the CONVERT screen upon receipt of a court-approved satisfaction of judgment requiring credit be given for a specified amount or period of time on the payor's payment record. ICAR allocates SAT entries the same as clerk of court payments.
STT	State tax refund: STT payments represent the amount taken from a payor's state tax refund. ICAR allocates STT payments the same as regular payments except that it never applies STT payments to future support.
TFC	Tracking fees and costs: TFC indicates the receipt is set up for repayment by the payee or a third party. CSC sets up an adjustment, NSF, or BRI debt in the ICAR tracking fees and costs module. See the tracking fees and costs process for more information.
TIF	Tax intercept fee: The TIF code is no longer used. It represents the fee from any federal offset sent to CSC. When the code was in use, the Unit paid the fee for offsets on assistance cases and the payee paid the fee on non-assistance cases.
UIB	Undisclosed income or benefit: UIB payments represent an income or benefit for payment of support that are electronically transmitted to CSC. ICAR allocates UIB payments the same as MIW payments.
VCP	CAR payment: The VCP code represents payments applied to the Collections and Reporting (CAR) system, the precursor to the ICAR system. The code is used infrequently. ICAR allocates VCP payments the same as clerk of court payments and are entered through the CONVERT screen.
VOL	<p>Voluntary payment: ICAR assigns fund source VOL to apply payments to cases when no court order exists on the case. ICAR distributes VOL payments the same as regular payments.</p> <p>This fund source is also used to post payments to ICIS cases on ICAR. ICAR posts payments on ICIS cases as a VOL because ICAR does not have court order information on the case. The only service CSC provides on ICIS cases is payment processing.</p>

Treatment of Federal Tax Refund Offsets

ICAR treats federal tax refund offset payments differently than other payments. ICAR applies federal tax refund offsets only to delinquent coupons older than the most recent certification date (the date the certification program identifies the case as meeting the federal tax refund offset criteria). ICAR displays the certification day on the Federal Offset Processing (OFFSET) screen.)

ICAR applies offset payments to the most recent certified delinquent coupons first and always applies them to any assistance delinquencies before applying them to any non-assistance delinquencies.

ICAR does not apply federal tax offsets to the following account types:

- 14 Out-of-state assistance
- 15 Out-of-state non-assistance
- 16 Out-of-state IV-E foster care
- 17 Non-IV-D case
- 19 Out of state Medicaid-only

See 11-J, [*FEDERAL OFFSETS AND PASSPORT SANCTIONS*](#), for more information on the allocation of federal offset payments.

Case Type Changes

When the case type changes, ICAR determines the appropriate coupon account type and coupon assignment tag for existing coupons on the case. It does this by checking the current account type, the new account type, coupon due dates, FIP grant details, and child assignments on the CASSIGN screen.

When a coupon account type changes, ICAR uses the coupon due date to determine the coupon assignment tag. ICAR uses the FIP grant details to determine FIP status after January 1, 1992, and uses the child assignment records on the CASSIGN screen to determine FIP status before January 1992.

Coupons on reimbursement (RE) obligations change only because of unassigning support.

Distribution of State Tax and Debtor Offset Payments

Legal reference: 441 IAC 95.6(7)

ICAR distributes state tax refund (STT) and debtor offset (DOP) payments in the same manner as regular payments. ICAR determines the case type and uses the distribution hierarchy for that case type. When ICAR receives a STT payment or DOP, it proportionally divides the payment between the payor's IV-D cases in the following manner:

1. ICAR divides the payment proportionally according to the amount of current support due on each case.
2. ICAR allocates the remaining money proportionally according to the arrearage amount on each case.

Within each case, ICAR pays current support first, and then distributes any remaining money to arrears. Cases receiving a STT or DOP must have been certified for state tax and debtor offset.

An account type 12 case has an obligation for child support and alimony. The effective date for all obligations is 06/01/1993 and the end date for all obligations is 06/30/2007.

The payor owes monthly support of \$100 allocated as follows:

\$75 per month child support
\$25 per month alimony

The payor owes past due support of \$8,000. The payor makes a payment of \$8,500 on 02/07/2006. The \$8,500 payment distributes as follows:

\$100 to the payee for February 2006 current child support and alimony;
\$8,000 to the payee for arrears
\$400 to future support

Because the payment is **not** from income withholding or UIB, \$400 applies to future coupons for March, April, May, and June 2006 (\$100 per month).

Applying Future Support to Non-Assistance Account Types

ICAR distributes any paid-ahead funds owed to the payee or initiating state within two days of receipt of the payment. (Non-assistance and interstate account types are 12, 14, 15, 16, 17, 18, and 19.) If the payment is not IWO or UIB, ICAR builds enough future month's coupons to apply and disburse the entire payment.

A payor has an ongoing support order for \$300 per month. The case account type is 12 and the case is paid up through October 2006. In November 2006, CSC receives \$750 from the payor. ICAR applies \$300 to current support for the month.

Since there are no arrears on the case, ICAR builds the December 2006 coupon and applies \$300 to the coupon. ICAR also builds the January 2007 coupon. ICAR applies the remaining \$150 of the payment to the January 2007 coupon. ICAR sends the entire payment to the payee within two days of receipt of the payment.

When CSC processes an income withholding or undisclosed income or benefit payment and ICAR pays the case into the future with a non-assistance or interstate account type, ICAR allocates the payment to the current month plus an additional month.

- ◆ **PAID ON COUPON:** ICAR displays the total amount paid for each coupon assignment on the case from the COUPON screens.
- ◆ **COUPON BALANCE:** ICAR displays the total amount remaining for each coupon assignment on the case.

The function key on the BALANCE2 screen is:

Key	Use
CLEAR	Press the PAUSE/BREAK key. ICAR again displays the BALANCE screen for the case.

Providing Written Balance Information to the Public

Legal reference: Iowa Code 252C.6, 535.3(2)

Sometimes parents contact you asking for balance information or a written statement showing that the case is paid in full. You should not state that a case is “current” or “paid in full,” because interest could be due.

While we are not required to maintain interest balance accounts, Iowa law does allow interest to be charged on child support balances. We enforce interest if it has been reduced to a judgment or if, in an interstate case, the Unit has received a statement from the IV-D agency indicating the total interest owed as of a certain date. See [Interest and Late Payment Fees](#) for more information.

Therefore, when contacted for balance information or a written statement by a payee, payor, attorney, or other person or entity authorized to receive balance information, use the following language when providing the balance information for the case:

“For obligations we have been enforcing, our records show the child support balance is \$_____ as of _____. We can make no statement about whether a parent owes additional interest. Only a court can make a binding balance determination.”

Similarly, worker-entered narratives should not state the case is current or paid in full. Instead, use words such as “according to our records the balance is _____ as of _____.”

Certified Payment Record (PAYREC) Screen

ICAR displays information about payments and how they are distributed on the Certified Payment Record (PAYREC) screen, which is a view-only screen. Use the PAYREC screen to review the official payment record of a case. Print the certified payment record from this screen when either the payee or payor requests an official record of payments on a case.

If there is a release of information in the file for the case, you may release a certified payment record to the person approved to receive information in the release.

To access the PAYREC screen, type PAYREC in the NEXT SCREEN field on any screen in ICAR and press the ENTER key. ICAR displays the following screen:

D479HR08	IOWA COLLECTION AND REPORTING SYSTEM		DATE: 04/04/07				
	CERTIFIED PAYMENT RECORD		TIME: 15:40:08				
			PAGE: 1				
CASE NUMBER.....:	PAYOR NAME:						
START DATE.....:	PAYEE NAME:						
ICIS CASE.....:							
COURT ORDER #:							
COUNTY NAME..:							
RECEIPT	CSC	PAYMENT	DISTR.	BATCH	SQ	RECEIPT	
CREDITED	RECEIVED	AMOUNT TYPE OF PAYMENT	DATE	DATE	NO	NBR	S
PF5=INQUIRE, PF7=BACKWARD, PF8=FORWARD, PF9=PRINT YEAR: BATCH ____ PRT ID: CDPG0SI NEXT SCREEN: NOTES:							

Fields, descriptions, and values on the PAYREC screen are:

- ◆ **CASE NUMBER:** Enter a valid ICAR case number, up to 7-digits, and press the F5 key. ICAR displays the payments and adjustments for the case in date order from newest to oldest.
- ◆ **PAYOR NAME:** ICAR displays the name of the payor in the last, first, middle initial, and suffix format as shown on the PAYOR screen.
- ◆ **START DATE:** Use this field as a filtering tool, especially when the case has years of payment history. Enter in the MM/DD/YY format the date of the records you want ICAR to use to start its display of payment records. If you do not enter a date, ICAR displays all payments starting with the most recent date.

- ◆ **RECEIPT NBR:** ICAR displays a receipt number (a unique number given each payment or credit applied to ICAR) for each payment on the screen.
- ◆ **S:** Enter any character and press ENTER to display the detail record you would like to view on the WARRANT INFORMATION screen.
- ◆ **PRT ID:** ICAR automatically populates this field with the printer identifier from the Worker Maintenance (WORKER) screen of the individual viewing the screen. You can change the printer identifier to another valid printer ID.

Function keys for the PAYREC screen are:

Key	Use
F5=INQUIRE	Press the F5 key to display new case information. ICAR displays payment information for the new case in date order from newest to oldest.
F7=BACKWARD	Press the F7 key to move backward through the payment information for the case.
F8=FORWARD	Press the F8 key to move forward through the payment information for the case.
F9=PRINT YEAR	Press the F9 key to print the payment record. If you enter a year in the blank portion of this field, ICAR prints only the payments for that year. If you make no entry in the year portion of this field, ICAR prints the complete payment record for the case.
BATCH	If you enter an "X" in this field, the <i>Certified Payment Record</i> prints in the nightly batch processing.

Printing the Certified Payment Record

To print a certified payment record:

1. Access the PAYREC screen.
2. When ICAR displays the PAYREC screen, press the F9 = PRINT YEAR key.
3. To print the record for a specific year, enter that year in CCYY format in the YEAR field (to the right of the F9 key). To print the entire record, leave the YEAR field blank.

4. To print the record in the nightly batch processing, enter an "X" in the BATCH field.
5. ICAR displays a message "ALL RECEIPTS COLLECTED – PRESS PF9 TO PRINT." Confirm the information on the screen, and press the F9 key.
6. ICAR prints the payment record to your designated office laser printer or to your "Green Bar Folder" if printing overnight in batch processing. ICAR displays "REPORT PRINTED" at the bottom of the PAYREC screen after ICAR successfully processes the screen.

If you print the entire payment record, ICAR displays "END OF RECORD" at the bottom of the printed payment record. If you print a specific year, ICAR displays "COMPLETE RECORD NOT PRINTED" at the bottom of the printed payment record.

Note: When the effective date on the only obligation on the case is the same as the current year, entering the year in the YEAR field prints the complete payment record, but ICAR still prints the message "COMPLETE RECORD NOT PRINTED" at the end of the printed payment record. Therefore, if a case has receipts for only one year, leave the YEAR field blank so that ICAR prints the message "END OF RECORD" at the end of the payment record.

In June 2006, the payor requests a certified payment record for a case opened by the Unit on 02/01/2006. The obligation effective date is 03/01/2006. After accessing the PAYREC screen and inquiring on the case payment record, you leave the YEAR field blank on PAYREC and press the F9 key twice.

ICAR displays "RECORD PRINTED" on the screen; prints the entire certified payment record; and displays the message "END OF RECORD" at the bottom of the payment record.

You can direct the printed certified payment record to any printer recognized by ICAR. To direct the record to a different laser printer, enter the printer address in the PRT ID field located next to the F9 key at the bottom of the screen. **Note:** When pressing the F9 key, release the key immediately to prevent printing multiple copies of the payment record.

The following screen print shows an example of how to select the year to print:

- ◆ **MAILING DATE:** ICAR displays in the MM/DD/YY format the date that DAS mails the warrant to the recipient or creates the out-going EFT transmission. ICAR calculates the mailing date by adding two business days to the distribution date for the receipts included in the warrant or the EFT transmission.

If the distribution date on the receipt is 04/09/2007, the warrant mailing date is 04/11/2007. ICAR accounts for holidays and weekends and adds the appropriate number of days when calculating the mailing date.

- ◆ **WARRANT AMOUNT:** ICAR displays the amount of the warrant sent to the payee or other state. The amount includes all receipts payable to the family or the other state with the same distribution date.
- ◆ **WARRANT NUMBER:** ICAR displays the warrant or EFT number that DAS assigns.
- ◆ **CLAIM NUMBER:** ICAR displays the claim number it assigns. ICAR sends the claim number to DAS to issue a warrant or an EFT transmission. Use the claim number when requesting the cancellation of a warrant.
- ◆ **CAN IND:** ICAR displays either a “Y” or blank to indicate the cancellation of the warrant or EFT transmission. ICAR displays a “Y” if CSC cancels the warrant or EFT transmission, or blank if the warrant or EFT transmission is not canceled.
- ◆ **REI IND:** ICAR displays a “Y” if the warrant or EFT transmission is reissued. ICAR displays a blank if the warrant or EFT transmission is not reissued.
- ◆ **STALE IND:** ICAR displays a “Y” when the warrant is considered by the Treasurer to be stale (it is not cashed within six months of the issue date). See [Stale Warrants](#) for more information. Only ICAR can make an entry in this field.
- ◆ **WARRANT EFT IND:** ICAR displays either a “W” or “E” in this field to indicate the method used to disburse the payment. ICAR displays a “W” if DAS disbursed the payment through a warrant. ICAR displays an “E” if DAS disbursed the payment through an EFT transmission.

The function key for the WARRANT INFORMATION screen is:

Key	Use
RETURN=CLEAR	Press the PAUSE/BREAK key to return to the PAYHIST screen.

IOWA COLLECTION AND REPORTING SYSTEM		DATE: 04/23/07	
THIS IS NOT A CERTIFIED PAYMENT RECORD		PAGE: 1 of 1	
CASE NUMBER:		PAYOR NAME:	
		PAYEE NAME:	
YEAR	AMOUNT DUE	AMOUNT PAID	YR END BALANCE
2007	1,276.00	176.00	1,100.00
2006	3,828.00	0.00	3,828.00
2005	3,828.00	0.00	3,828.00
2004	1,914.00	0.00	1,914.00
TOTALS	10,846.00	176.00	10,670.00
THIS IS NOT A CERTIFIED PAYMENT RECORD			

Entering Credits Other Than Payments

Sometimes you need to add credits to a case when CSC receives no payment. These credits are referred to as “conversion” entries, and you enter them on the CONVERT screen. “Conversion” entries are needed when:

- ◆ The payee satisfies a portion of the support due to the payee; or
- ◆ Payments are made through a clerk of court and sent to the family; or
- ◆ Another state collects and retains state or federal tax monies for the payment of support due on an interstate case.

When setting up a new case, follow these steps when adding “conversion” entries to the case when the family is assigning support for the first time after they received support through an entity other than CSC:

- ◆ **Day 1:** Activate the case and enter the appropriate assignment information on the CASSIGN screens. Enter the period before the receipt of FIP, Medicaid, etc. as an account type 12. Allow ICAR to process the case and to build the coupons. Do **not** enter any payment or credits into ICAR.

On a current FIP case, ICAR builds all coupons on the case during the account type 12 period as “11AT” and all coupons after the assignment date as 11AS. For Medicaid-only and foster care cases, ICAR builds the coupons before the date of assignment as indicated on the CASSIGN screen.

D479HR09		IOWA COLLECTION AND REPORTING SYSTEM			DATE :	
		CONVERSION SCREEN			TIME : : :	
CASE NUMBER :						
PAYOR :						
PAYEE :						
ACCOUNT	STATE	PAYMENT	SOURCE			SEL
TYPE	ID	DATE	CODE	AMOUNT		IND
PF2=ADD PF3=UPDATE PF4=DELETE PF5=INQUIRE PF7=BACK PF8=FORWARD PF9=REFRESH						
NEXT SCREEN :			NOTES :			

Fields, descriptions, values on the CONVERT screen are:

- ◆ **CASE NUMBER:** Enter a valid ICAR case number, and press the F5 key for ICAR to display the information for the case. ICAR displays either a blank screen or the convert entries you made on the case that day if you access the CONVERT screen on the same day you made the entries.
- ◆ **PAYOR:** ICAR displays the payor's name in the first, middle initial, last, and suffix format as shown on the PAYOR screen.
- ◆ **PAYEE:** ICAR displays the name of the payee in the first, middle initial, last, and suffix format as shown on the PAYEE screen.
- ◆ **ACCOUNT TYPE:** Enter the two-digit code to represent the account type for the description of the CONVERT entry. See [Account Type](#).
- ◆ **STATE ID:** Enter the nine-digit number assigned by the IABC system. When entering an account type of 10, 13, 40, or 43 (foster care), enter the state identification number if the child currently has or has had one. The field is not applicable on COC entries.
- ◆ **PAYMENT DATE:** Enter the date in the MM DD YY format.
 - If you enter each year of a clerk of court payment record as a separate total, enter the last payment date within the year.
 - If you enter the entire clerk of court payment record as a single amount, enter the date of the last clerk of court payment.

Key	Use
F5=INQUIRE	Press the F5 key to display any credits not yet applied to the case. Enter a valid case number and press the F5 key. ICAR displays any credits not yet applied to the case.
F7=BACK	Press the F7 key to display additional credits not yet applied to the case.
F8=FORWARD	Press the F8 key to display additional credits not yet applied to the case.
F9=REFRESH	Press the F9 key to temporarily remove existing unprocessed credits for the case in order to add additional credits to the case.

Using the CONVERT Screen

ICAR attempts to apply the coupons for the account you designate when you enter the credit through the CONVERT screen. ICAR also attempts to apply the payment to the month you enter as the receipt date.

If you enter a credit to an account type 12 for October 2004, ICAR first attempts to place the credit on the account type 12 coupons for October 2004. If the October coupons are paid or are not account type 12 coupons, ICAR tries to apply the credit to the next older unpaid account type 12 coupon.

If no older unpaid account type 12 coupons exist, ICAR looks for unpaid account type 12 coupons newer than the payment date (aOctober 2004) but older than the current date (today). If no account type 12 coupons exist between the payment date and the current date, ICAR applies the payment to any unpaid coupons on the case.

The date you enter in the PAYMENT DATE field is significant because ICAR first applies payments to unpaid coupons with the account type and month you enter on the screen. The date of credit for a typical receipt is the day on which CSC receives the payment, an employer withholds the payment, or a clerk of court or the local office/FCRU office receives the payment, whichever is earliest.

Deleting RE and MR Coupons

To delete a coupon on the REMRCOUP screen:

1. Access the REMRCOUP screen.
2. Select the coupon you want to delete by entering any character in the SEL field.
3. Press the F4 key twice to delete the coupon.
4. ICAR issues a narrative (CASE 385) requiring you to add text indicating the reason for deleting the coupon.

An 11 RE coupon for \$100 was added in error and needs to be deleted from ICAR.
Delete the coupon on the REMRCOUP screen in the following manner:

Tab down to the coupon you need to delete and place any character in the SEL field.
Press the F4 key twice, and ICAR deletes the coupon from the obligation.

The following screen print shows an example of how to delete a RE or MR coupon:

D479HR59	IOWA COLLECTION AND REPORTING SYSTEM	DATE: 04/23/07
	RE/MR COUPON ACCT UPDATE	TIME: 14:46:08
		PAGE: 001
CASE NUMBER:		
COURT ORDER: DRCV000000	OBLIG TYPE: RE	RE TYPE: R
START DATE: 06/05/2006	END DATE: 09/17/2009	AMOUNT BILLED: 1,158.00
SEL	COUPON ASSIGNMENT	DATE DUE
		AMOUNT BILLED
		AMOUNT PAID
	11 AS	06 05 2006
x	11 AS	06 05 2006
		1,158.00
		100.00
PF3=MOD, PF4=DEL, PF5=INQ, PF7=BACK, PF8=FORWARD, PF9=REFRESH, PF10&11=SCROLL OBLIGS		
NEXT SCREEN: NOTES:		

If you delete a coupon with an amount in the AMOUNT PAID field, ICAR sets the correction flag and runs the case through the correction program. ICAR flags the case for the correction program because the payment applied to the deleted coupon must apply to another coupon in ICAR.

You cannot delete the last coupon on an RE or MR obligation if ICAR has applied money to the coupon. You can determine this by looking at the AMOUNT PAID field on the coupon on the REMRCOUP screen. Without a coupon, ICAR cannot account for, display, and give proper credit to the payor for the payment.

Interest and Late Payment Fees

The Unit enforces the collection of interest and late payment fees on other states' orders upon request. Interest and fees are collected on interstate cases only when the amount of interest or fees is presented as a sum-certain amount, such as:

- ◆ A separate calculated entry on a certified payment record or other official document, or
- ◆ An amount reduced to a judgment in another state's court order.

To enforce interest, set up a reimbursement (RE-I) obligation for the case on the OBLIG screen. Before setting up the obligation, obtain from the other state a document that clearly lists the amount of interest accrued to date (a certified payment record, the other state's court order, or another official document).

When another state requests enforcement of late payment fees, enter a reimbursement (RE-L) obligation for the case on the OBLIG screen.

Refer to 9-E, [CASE SETUP](#), for instructions on setting up an obligation on the OBLIG screen. After you set up the interest (RE-I) or late payment fee reimbursement (RE) obligation, maintain the obligation using the REMRCOUP and OBLIG screens. Refer to [RE and MR Coupons](#) and the [RE/MR Coupon Acct Update \(REMRCOUP\) Screen](#).

Note: When the payee contacts us directly to request enforcement of interest on another state's order and the other state is not involved, there must be a specific reference to interest in the order itself or a separate calculated entry on an official payment record to proceed with collection. If there is not, inform the payee that we do not calculate interest, so we need a judgment or certification of the amount of interest due and the date of accrual from the state with the underlying order before we can proceed.

Monthly Interest Update Program

Once a month, a program runs in ICAR that identifies cases that need to have the amount of interest due updated. ICAR determines which cases need to have interest due updated using the following criteria:

- ◆ The case is active.
- ◆ The case is not redirected.
- ◆ The case has an obligation type of “RE.”
- ◆ The case has a “Y” in the INTEREST field on the OBLIG screen.

A case must meet all of the criteria listed above. If the case meets the criteria, ICAR

- ◆ Reads the obligation’s EFFECTIVE DATE on the OBLIG screen and the START DATE field on the REMRCOUP screen, and
- ◆ Compares these dates with the current date.

If the current date is more than one year past the obligation effective date and coupon start date, ICAR generates a calendar flag (DIST9) alerting you to request an update of the interest amount from the other state.

SATISFACTION OF CHILD SUPPORT

There are several ways child support can be satisfied other than by payments. This section of the manual covers these methods, including:

- ◆ [Automated satisfaction of support](#)
- ◆ [Satisfaction due to receipt of SSD dependents benefits](#)
- ◆ [Satisfaction of judgments](#)
- ◆ [Court ordered satisfactions](#)
- ◆ [Satisfactions and private collection agencies](#)

While, in most circumstances, a payee or payor wishing to satisfy support must contact a private attorney for assistance, there are two situations where the Unit may assist with the satisfaction of support: When the family reconciles or when all of the children covered by the support order now live with the payor.

Automated Satisfaction of Support

Legal reference: Iowa Code section 252B.3

By operation of Iowa law, the Unit automatically satisfies any ongoing child support owing on an Iowa child support order in the months when reconciled families receive the following types of assistance:

- ◆ FIP unemployed parent (FIP-UP)
- ◆ FIP incapacitated parent (FIP-INCAP)
- ◆ Supplemental Security Income (SSI)

The Unit files form 470-3407, *Notification Regarding Support Debt*, with the clerk of court when the order meets the criteria for satisfaction by operation of law. In addition to the clerk of court, the Unit sends the payor a copy of the form.

An ongoing child support debt qualifies for satisfaction when it meets all of these criteria:

- ◆ The support order was entered in Iowa.
- ◆ The parents on the child support order are reconciled and living together. **Note:** The parents are considered “reconciled” when you or the IM worker verifies through the ABC system that the payee and payor are in the same household.
- ◆ The family receives assistance and the payor receives a portion of that assistance.
- ◆ All of the children named on the order receive assistance with the family (some may receive foster care benefits).
- ◆ All of the children named in the order live with both parents on the grant. **Note:** If not all children named in the order live with the parents on the grant, at least one child must live with the parents and the remaining children must be in foster care.

The Unit satisfies the obligations by operation of law if the obligations come due and owing during the period in which the obligations meet all of the criteria. The Unit does not satisfy, by operation of law, arrearage accruing before the obligation meets all criteria.

When the order no longer qualifies for satisfaction by operation of law, the Unit sends form 470-3401, *Notification That Case No Longer Qualifies for Automatic Satisfaction of Child Support Debt*, by regular mail to the payor and the clerk of court.

ICAR automatically determines which cases meet the automated satisfaction criteria, issues the proper forms to the necessary parties, and enters the satisfaction on the case.

Case Selection

ICAR identifies when the payor is part of an eligible assistance grant and takes the following actions:

- ◆ **FIP-UP or FIP-INCAP:** ICAR identifies all cases linked to the payee on IABC. Next, ICAR compares the social security numbers of the adults on each IABC case to the payor's and payee's social security numbers on the ICAR case.

If the adults on the FIP-UP or FIP-INCAP case match the payor and payee on the ICAR case, ICAR considers them reconciled. ICAR also considers the payor to be receiving a portion of the FIP grant.

Next, ICAR determines whether all of the children on the ICAR case have a current account type of 10, 11, or 13. If the children have one of these account types and the case meets the preceding criteria, ICAR qualifies the case for satisfaction.

- ◆ **SSI:** ICAR determines if family members not on FIP-UP or FIP-INCAP receive SSI. Next, ICAR determines if the PAYOR RESIDES WITH PAYEE field on the PAYOR screen has a "Y" entry. If this field has a "Y" entry, this indicates that the payor and payee are reconciled.

Next, ICAR determines whether all of the children on the ICAR case have a current account type of 10, 11, 13, or receive SSI. If the children have one of these account types and the case meets the preceding criteria, ICAR qualifies the case for satisfaction.

If a family member receives SSI, ICAR displays a "Y" in the following fields:

- The FEDERAL BENEFITS field on the LOCATE screen for a payor.
- The FEDERAL BENEFITS field on the PAYEE2 screen for a payee.
- The FED BEN field on the CHILD screen for the children.

ICAR shows the type of benefits on the Federal Benefits (FEDBEN) screen. See 10-H, [DETERMINING CHILD SUPPORT OBLIGATIONS](#).

Cases Satisfied by ICAR

After ICAR identifies cases eligible for satisfaction, it determines if it should satisfy the ongoing child support for the month. ICAR enters a "Y" in the SATISFY OBLIGATION FOR MONTH field on all of the CS, MS, or CA obligations on the OBLIG screens if the case and obligation meets all of the following conditions:

- ◆ The payor and payee are reconciled and living together.
- ◆ All of the children are account types 10, 11, 13, or receive SSI. If the children receive SSI, there is a “Y” in the FED BEN field on the CHILD screen and an “X” in the SSID field on the Federal Benefits (FEDBEN) screen.
- ◆ The payor receives a part of the family’s assistance grant or receives SSI.
- ◆ The obligation is based on an Iowa court order, e.g., there is a 19 XXX in the C.O. COUNTY FIPS field on the COURTOR screen.

Note: When the payor pays child support and subsequently one child enters foster care, the Foster Care Recovery Unit (FCRU) establishes a new order against the payee for the child in foster care. If the parents reconcile and both receive part of the FIP grant, ICAR identifies all of the cases involving the children in foster care on both the payor’s and payee’s cases and enters a “Y” in the SATISFY OBLIGATION FOR MONTH field on the OBLIG screen for the CS, MS, and CA obligations on the cases.

ICAR issues a narrative (DIST5) and calendar flag (DIST1) stating the payor and payee reside together with the children and the case qualifies for satisfaction. ICAR checks the case monthly to determine if satisfaction is still appropriate on the case.

On the third weekend of each month, ICAR enters a SAT credit on the PAYHIST screen on cases meeting the satisfaction criteria. The amount of the credit is the sum of the CS, MS, and CA coupons on the case for the month. ICAR does not satisfy RE and MR obligations this way. ICAR uses the current date as the receipt credited date.

On cases meeting automatic satisfaction criteria, ICAR issues a calendar flag (DIST1) notifying you to determine whether there is an active IWO on the case. If there is an IWO on the case, amend the IWO to arrears only.

Note: If the payor provides health insurance coverage, make no changes to the medical screens.

ICAR generates form 470-3407, *Notification Regarding Support Debt*, only in the initial month that the case qualifies for satisfaction. This form states that the obligations are satisfied by operation of law until further notice. The form generates to the printer in the office where the case is located.

Sign and date the forms. Mail one copy of the form to the clerk of court and one copy to the payor within two working days. Keep one copy for the case file. ICAR issues a narrative (DIST6), recording the notice of satisfaction sent to the clerk of court.

- ◆ **OBLIGATION TYPE:** ICAR displays CS or MS based upon the obligation you selected on the OBLIGHST screen.
- ◆ **OBLG FREQ:** ICAR displays the frequency when payments are due for this obligation. ICAR displays this information based on the obligation you selected on the OBLIGHST screen.
- ◆ **CORRECTION START DATE:** If ICAR is set to run through the correction program (there is a “Y” in the CORRECTION FLAG field), this field displays the specific date as entered in the CORRECTION START DATE field on the CHILD, or the OBLCOR screen. No date displays in this field If you are running the entire case through the correction program.
- ◆ **OBLIGATION START DATE:** ICAR displays the start date in the MM/DD/YY format and records when the payments start. This information matches the start date of the obligation you selected on the OBLIGHST screen.
- ◆ **END DATE:** ICAR displays the end date in the MM/DD/YY format and records when the payments end according to the court order. This information matches the end date of the obligation you selected on the OBLIGHST screen.
- ◆ **CORRECTION RUN DATE:** ICAR displays the date in the MM/DD/CCYY format when the case processed through the correction program. If the field is blank, the case has never processed through the correction program.
- ◆ **CHILD FIRST NAME:** ICAR displays each child associated with the obligation up to 15 characters for each child’s first name.
- ◆ **OBLIG. DIST.:** ICAR lists the amount of the obligation due for each child based on information entered on the OBLIGDST screen for the obligation you selected from the OBLIGHST screen.
- ◆ **SUSPEND FROM:** Enter the date in the MM/DD/CCYY format that the suspension for the obligation and child starts.
- ◆ **SUSPEND TO:** Enter the date in the MM/DD/CCYY format that the suspension for the obligation and child ends.
- ◆ **SUSP. AMT.:** Enter the amount of the obligation you are suspending in the dollar and cent format. If the suspension amount contains cents, enter the amount as dollars and cents with a decimal point. If the amount is for whole dollars, enter just the dollars, and ICAR displays the decimal point for you.

◆ **SUSP TYPE:** Enter the code that describes the reason for the suspension:

SSD	Receipt of SSD benefits.
VIS	Visitation provisions in the court order.
CTK	Caretaker situation.
SUS	Reconciliation.
CUS	Change in custody of the children.
SSI	Receipt of SSI benefits. The payor is totally and permanently disabled, and the obligation has been modified to zero.
OSE	Other state enforcing.
OTH	Valid suspension reason but a code does not already exist.

Upon a valid entry of “SSD,” “VIS,” “CTK,” “SUS,” “CUS,” “SSI,” or “OSE,” ICAR issues a narrative (SUB16) stating the reason for the suspension.

Upon a valid entry of “OTH,” ICAR issues a worker-entered narrative (SUB17), to enter the reason you are adding a suspension on the case.

When you change the entry in the TYPE field to another valid entry, ICAR issues a narrative (SUB18) recording this change.

Function keys for the SUSPENSION UPDATE screen are:

Key	Use
F2=ADD	Press the F2 key to add new suspension information to the case for the child and the obligation displaying on the screen. Enter the appropriate information, and press the F2 key twice to add the information.
F3=MODIFY	Press the F3 key to change any existing suspension information for the child and the obligation displaying on the screen. Enter the new information into the appropriate fields, and press the F3 key twice to update the information.
F4=DELETE	Press the F4 key to delete any existing suspension information for the child and the obligation displaying on the screen. Press the F4 key twice to remove the information from the case. Upon deletion of suspension information, ICAR issues a calendar flag (DIST3) recording the action.

OBLIGATION SUSPENSION
SUSPENSION UPDATE Sub-Screen
Revised September 5, 2008

Iowa Department of Human Services
Title 11 Support Enforcement and Distribution
Chapter T Distribution

Child C's obligation suspension represents visitation with the payor during July 2006 and July 2007. Enter suspension information for both of the periods.

Enter an "S" in the SEL field on the SUSPENSION screen to select the line for Child C's information. Update the SUSPENSION UPDATE screen with Child C's suspensions. They display as follows:

```
D479HC17          IOWA COLLECTION AND REPORTING SYSTEM          DATE:
                  SUSPENSION UPDATE                             TIME:

CASE NUMBER.....:                                           CORR FLAG:
OBLIGATION TYPE.: CS      OBLIG FREQ: M      CORRECTION START DATE
OBLIG START DATE: 06/15/00  END DATE: 11/28/08  CORRECTION RUN DATE:

CHILD      OBLIG.  SUSPEND  SUSPEND  SUSP.  SUSP
FIRST NAME  DIST.   FROM    TO      AMT.   TYPE

CHILD C      50.00   07/01/06  07/31/06  50.00   OTH
                  07/01/07  07/31/07  50.00   OTH

F2= ADD, F3= MODIFY, F4= DELETE
NEXT SCREEN:          NOTES:
```

The SUSPEND DATE FROM/TO and SUSP. AMT. fields on the SUSPENSION screen look like this after you add the suspension information:

```
D479HC11          IOWA COLLECTION AND REPORTING SYSTEM          DATE:
                  PERIODS OF SUSPENSION                        TIME:
                                                           PAGE NBR:

CASE NUMBER.....:                                           CORRECTION FLAG:
OBLIGATION TYPE...: CS      OBLIG FREQ: M      CORRECTION START DATE:
                                                           CORRECTION RUN DATE:

CHILD FNAME  OBLIG.  OBLIGATION  SUSPEND  DATE      SUSP.  SUSP.
DIST.        START   END        FROM    TO      AMT.   TYPE
SEL

COURT ORDER:
CHILD C      50.00   06/01/05 06/30/08  07/01/06 07/31/06  50.00  OTH
                  07/01/07 07/31/07  50.00  OTH

PF7= PAGE BACKWARD, PF8= PAGE FORWARD, ENTER= SELECT, CLEAR= OBLIGHST
NEXT SCREEN:          NOTES:
```